

**WASHINGTON, DC** – Congressman Joe Courtney today blasted a Republican tax proposal, H.R. 8, that the House voted on today for imposing stiff new taxes on military and middle class families, while continuing costly tax breaks for families with incomes over \$1 million. H.R. 8 would raise taxes on approximately 25 million middle-class families by reducing tax credits including the child tax credit.

“Last week, the U.S. Senate passed legislation that would extend tax cuts on income up to \$250,000 for all Americans,” **said Congressman Courtney**. “I said then that if the House passed the exact same bill immediately, the President would sign it without hesitation. Instead of following that clear, pragmatic approach – an approach that would protect middle-class families and help us avoid the January 1 fiscal cliff – House Republicans are pushing an option that raises taxes on the middle class and military families to protect tax breaks for the very rich.”

H.R. 8 would end expansions of the Earned Income Tax Credit (EITC) and the Child Tax Credit and ends the American Opportunity Tax Credit (which helps make college more affordable for middle class families), raising taxes on 25 million families by an average \$1,000.

By contrast, the proposal passed by the Senate last week would extend existing tax cuts on all income up to \$250,000 for all American families, as well as these tax credits in their current forms.

The Center for American Progress conducted an analysis of military pay and compiled examples of how the GOP plan’s increases would affect military families. That analysis can be found [here](#) . The House Republicans’ H.R. 8 would have the following impact on typical Navy families in eastern Connecticut.

### **Navy Petty Officer 3<sup>rd</sup> Class (E4), four years’ service, married with two children**

- basic pay: \$27,660

- EITC under current tax policy and Democratic plan: \$4,326
- EITC under Republican plan: \$3,878

**TAX INCREASE UNDER GOP BILL: \$448**

**Navy Petty Officer 2<sup>nd</sup> Class (E5), eight years' service, married with three children**

- Basic pay: \$34,723
- EITC under current tax policy and Democratic plan: \$3,508
- EITC under H.R. 8: \$2,390

**TAX INCREASE UNDER GOP BILL: \$1,118**

**Navy Seaman Recruit (E1), first year of service, married with one child**

- Basic pay: \$18,196
- Child Tax Credit under current tax policy and Democratic plan: \$1,000
- Child Tax Credit under H.R. 8: \$727

**TAX INCREASE UNDER GOP BILL: \$273**

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*Note – estimates are illustrative and based on 2013 pay rates. They do not include Basic Allowance for Subsistence (BAS) and Basic Allowance for Housing (BAH), which are non-taxable, nor any other additional incentives that a sailor may receive based on rank, training, or job specialties. It also does not include any additional household income.*

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